

**DETERMINATION AND FINDINGS FOR A  
SOLE SOURCE PROCUREMENT**

**Contract No:** DCHT-2012-C-0021  
**Caption:** Quality Improvement Organization  
**Proposed Contractor:** Delmarva Foundation for Medical Care, Inc.  
**Program Agency:** Department of Health Care Finance

**FINDINGS**

**1. AUTHORIZATION:**

D.C. Official Code §2-354.04, 27 DCMR 1304 and 1700

**2. MINIMUM NEED:**

The Department of Health Care Finance (DHCF) has a continuing need for an organization certified by the Center for Medicare and Medicaid Services (CMS) as a Quality Improvement Organization (QIO) to conduct utilization reviews and quality improvement activities for the District's fee-for-service Medicaid Program.

The period of performance for the contract will be from Date of Award to February 28, 2013. This will allow for the completion of the competitive procurement process and the implementation of transition services.

**3. ESTIMATED REASONABLE COST:**

The estimated fair and reasonable price to provide the required services during the contract is \$891,989.00. The estimated price has been determined fair and reasonable based on the fact that the unit prices for the contract are the same as those paid by the District under previous contracts.

**4. FACTS WHICH JUSTIFY SOLE SOURCE PROCUREMENT:**

According to the DC State Plan (4.14), DHCF needs to ensure that Medicaid recipients receive medically justified medical care. All hospital inpatient admissions, long term care admissions, surgical procedures (inpatient and outpatient), optical services, hearing services, and durable medical equipment need to be authorized as medically justified. Utilization and medical reviews are performed by a Quality Improvement Organization (QIO) designated under 42 CFR Part 456 to safeguard against unnecessary or inappropriate use of Medicaid Services and to be in compliance with the Center for Medicare and Medicaid Services (CMS) rules.

Delmarva Foundation for Medical Care, Inc. (Delmarva), a Federally authorized QIO, was awarded Contract No. DCHT-2012-C-0019, to serve as the District's Quality Improvement Organization (QIO), during the selection process for competitive solicitation DCHT-2012-R-0002.

The purpose of this sole source award is to ensure continued compliance with Federal Medicaid rules without interruption while the District completes ward of a competitive procurement.

In consideration of the District's minimum need, Delmarva is the current contractor with the expertise, to properly provide transition services required to ensure the proper transition of services.

#### **5. CERTIFICATION BY AGENCY DIRECTOR**

I hereby certify that the above findings are true, correct and complete to the best of my knowledge and belief.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Wayne Turnage, Director  
Department of Health Care Finance

#### **6. CERTIFICATION BY THE CONTRACTING OFFICER**

Based on the findings, I hereby determine Delmarva Foundation for Medical Care, Inc., shall be responsible and capable of satisfactorily conducting utilization reviews and quality improvement activities for the District's Fee-for-Service Medicaid Program under the Proposed Sole Source Contract. I have reviewed the above findings and certify that they are sufficient to justify the use of the sole source method of procurement under the cited authority. I certify that the notice of intent to award a sole source contract was published in accordance with Section 404(c) of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Official Code §2-354.04) and that no response was received. I recommend that the Chief Procurement Officer approve the use of the sole source procurement method for this proposed contract.

\_\_\_\_\_  
Date

\_\_\_\_\_  
O'Linda Fuller, MBA, CASA  
Contracting Officer

### **DETERMINATION**

Based on the above findings and in accordance with the cited authority, I hereby determine that it is not feasible or practical to invoke the competitive solicitation process under either Section 404 of the District of Columbia Procurement Practices Reform Act of 2010 (D.C. Law 18-371; D.C. Official Code § 2-354.04 Sec 404 (a)(b)(c) DCMR 1700, D.C. Law 18-371; ). Accordingly, I determine that the District is justified in contracting using the Sole Source Method of Procurement.

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Date

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James D. Staton Jr.  
Acting Chief Procurement Officer